

Multi-Family and Rental Housing Supply, Demand, and Planning in Dane County

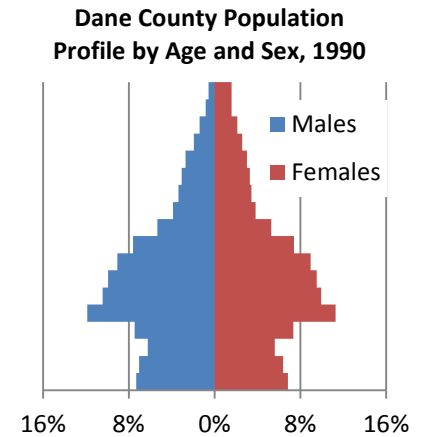
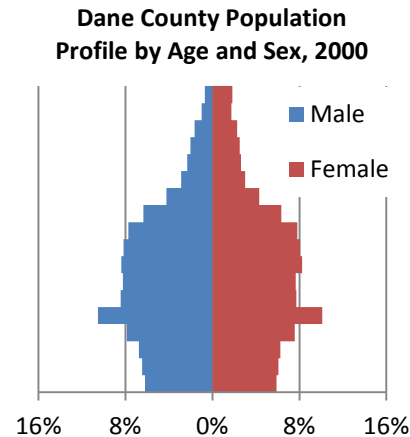
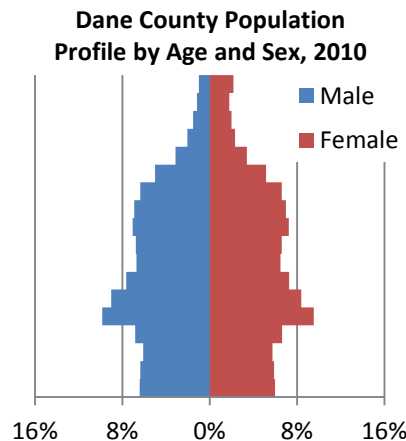
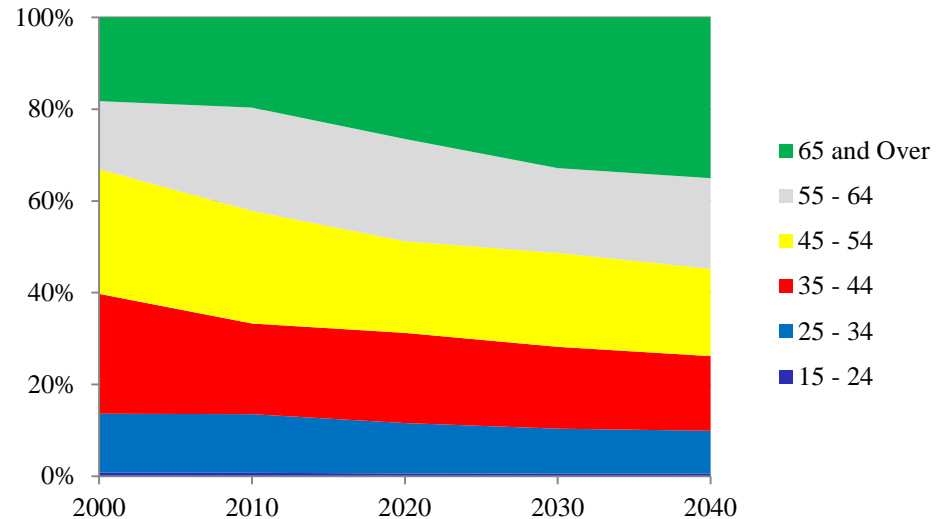
**A review of demographic and
housing trends in outlying
communities**



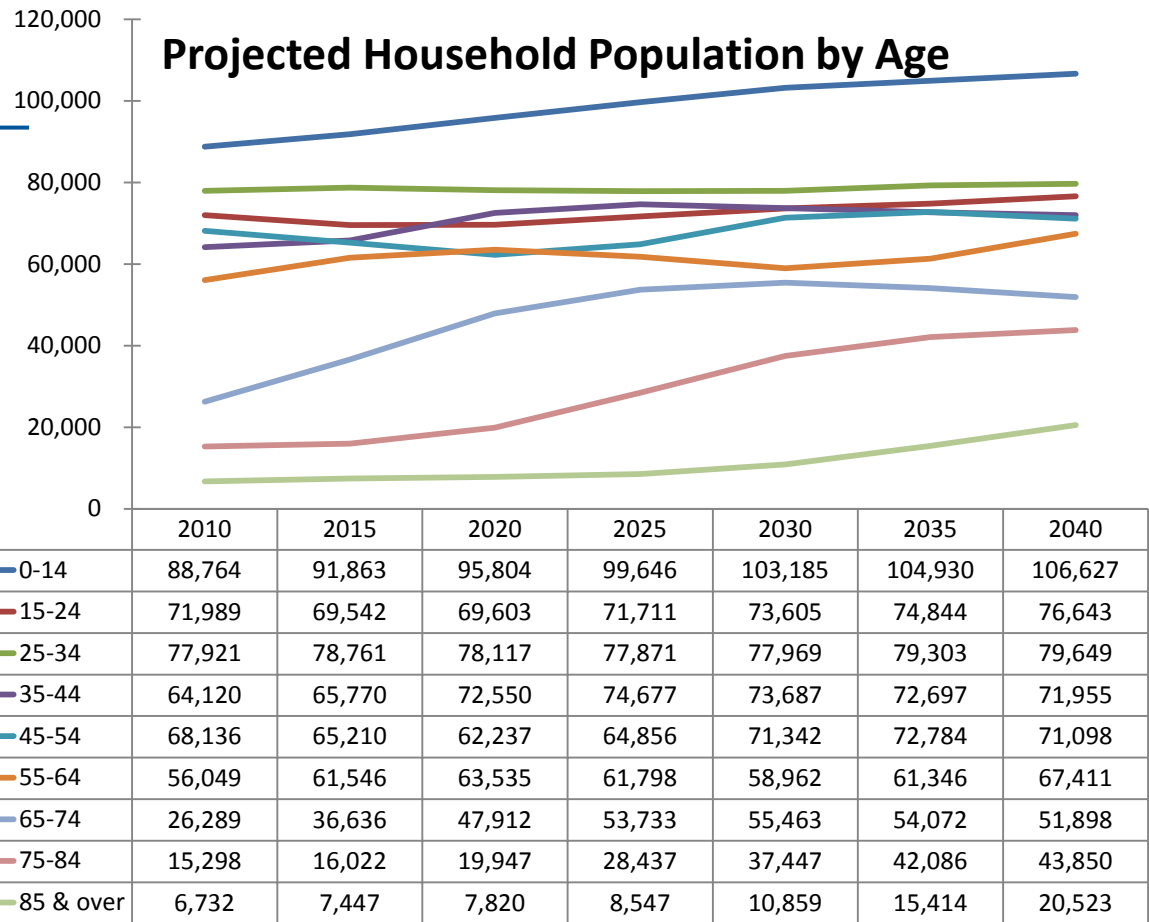
Regional Context – Demographic Change

- Countywide, the share of older households (55 and over) is expected to increase from roughly 40% in 2010 to over 50% in 2040

Dane County Households by Age Group



Regional Context – Demographic Change



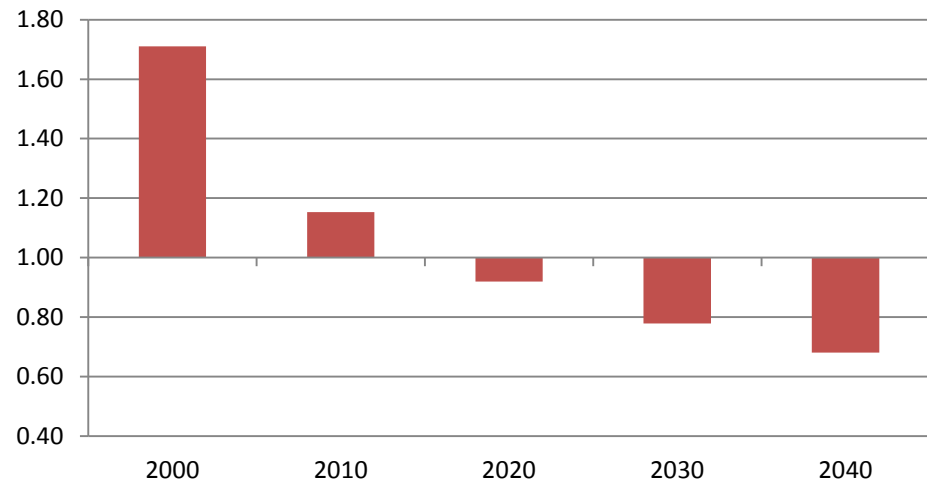
Regional Context – Demographic Change

Household Size expected to continue to decline across all community types

Ratio of buyers to sellers expected to reverse from 2000 to 2040

Projected Household Size				
	2010	2020	2030	2040
City of Madison	2.17	2.11	2.07	2.03
Small Cities	2.37	2.31	2.17	2.24
Villages	2.61	2.53	2.49	2.46
Towns	2.57	2.50	2.46	2.43
Dane County	2.33	2.27	2.23	2.20
Source: Wisconsin Department of Administration 2013 Projections				

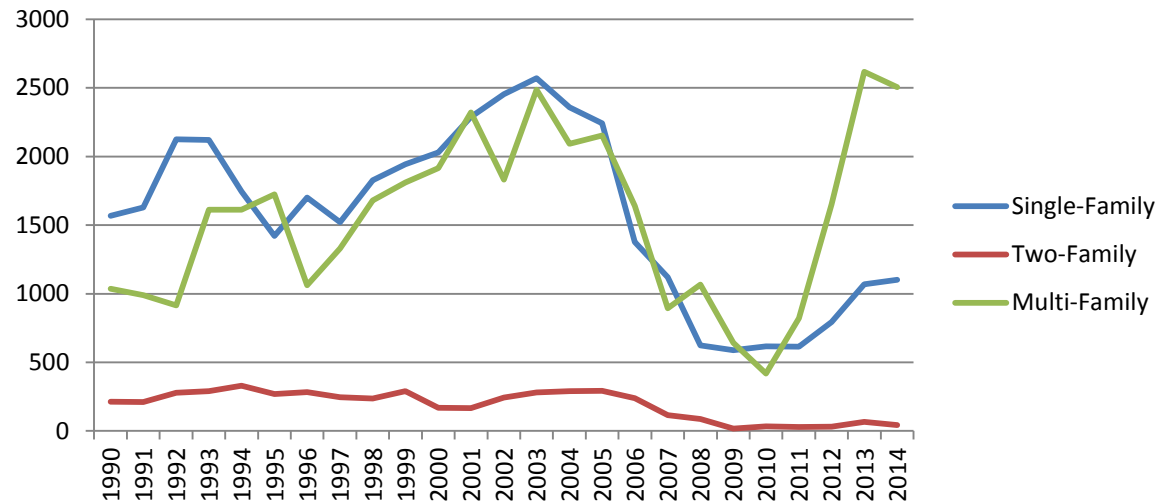
Ratio of "Buyer" to "Seller" Households in Dane County



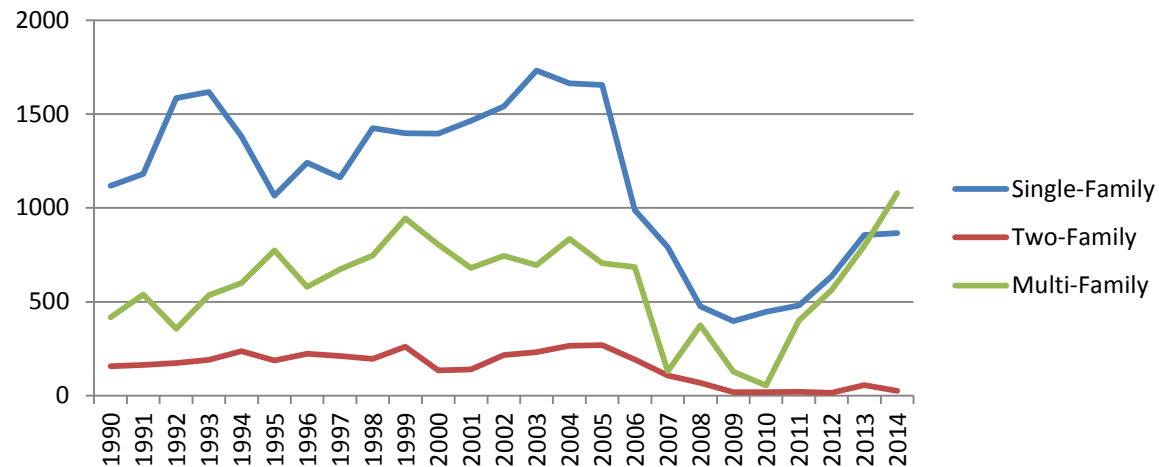
Regional Context - Building Permits

- 1990 - 2014 Dane County building permit data show sharp divergence in multi-, single-family housing permits following the recession
- City of Madison has driven that growth in multifamily, but the rest of the county clearly has entered a new phase as well

Dane County Housing Permits



Housing Permits Minus City of Madison



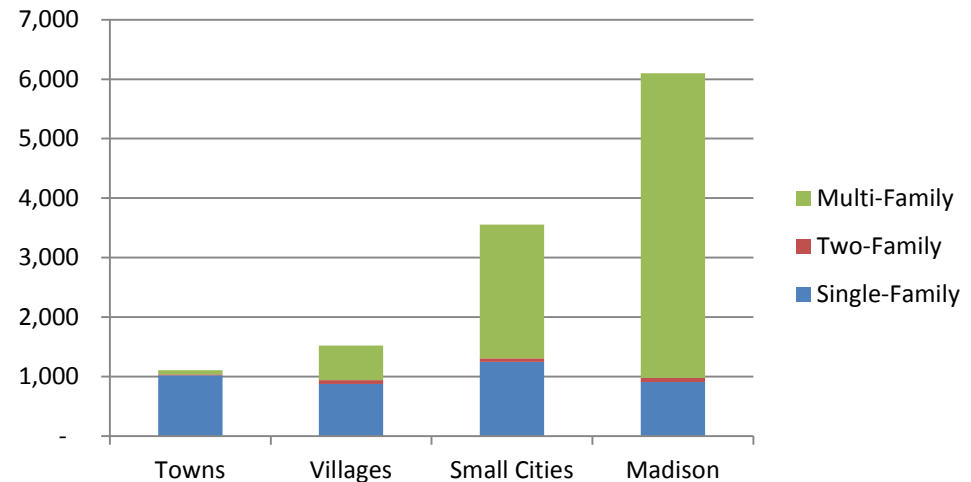
Regional Context - Building Permits

- Since 1990, community types have roughly shared equally the permits for single-family homes
- Since 2010, two-family permits have all but disappeared, while the single-family-multi-family disparities have grown more dramatic

Dane County Housing Permits 1990-2014



Dane County Housing Permits 2010-2014



Selected Villages – Changes in Housing Type Mix

DeForest – only one of its peer communities to have significantly increased its percentage of multifamily housing from 1990 to 2011

Change in Proportion of Housing Types

Community	Category	1990	2000	2011*	Margin of Error	Significant?
DeForest	single-family	0.74	0.74	0.75	0.03	N
	multi-family	0.15	0.17	0.22	0.06	Y
Outlying Villages	single-family	0.72	0.73	0.75	0.21	N
	multi-family	0.17	0.19	0.18	1.37	N
Waunakee	single-family	0.72	0.71	0.79	0.03	Y
	multi-family	0.15	0.20	0.16	0.04	N
Mount Horeb	single-family	0.66	0.65	0.71	0.06	N
	multi-family	0.19	0.24	0.23	0.07	N
Oregon	single-family	0.69	0.73	0.77	0.05	Y
	multi-family	0.21	0.19	0.20	0.06	N
Verona	single-family	0.72	0.73	0.79	0.05	Y
	multi-family	0.21	0.19	0.20	0.04	N
McFarland	single-family	0.78	0.75	0.81	0.04	N
	multi-family	0.17	0.20	0.14	0.05	N

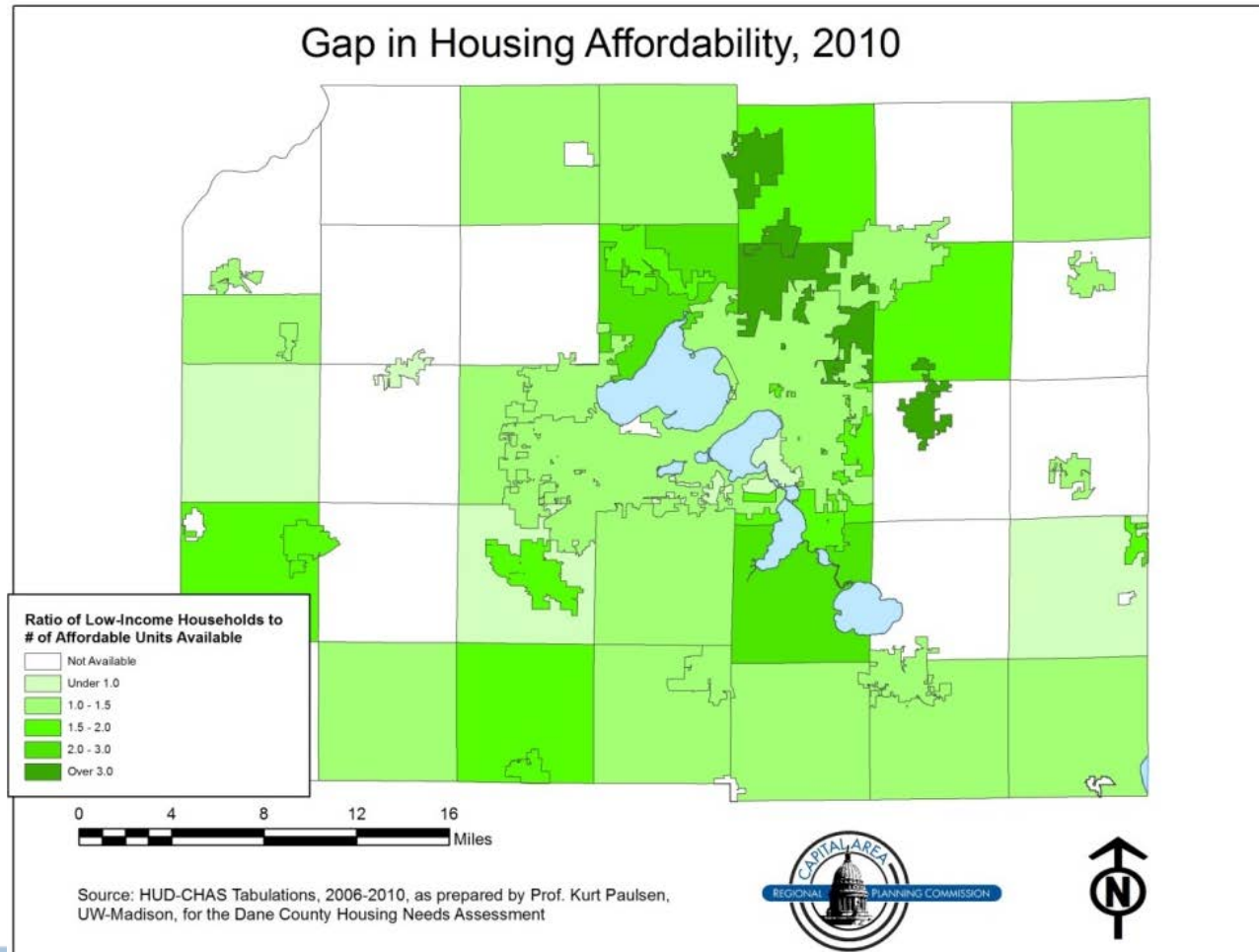
* 2007/2011 ACS

Estimates

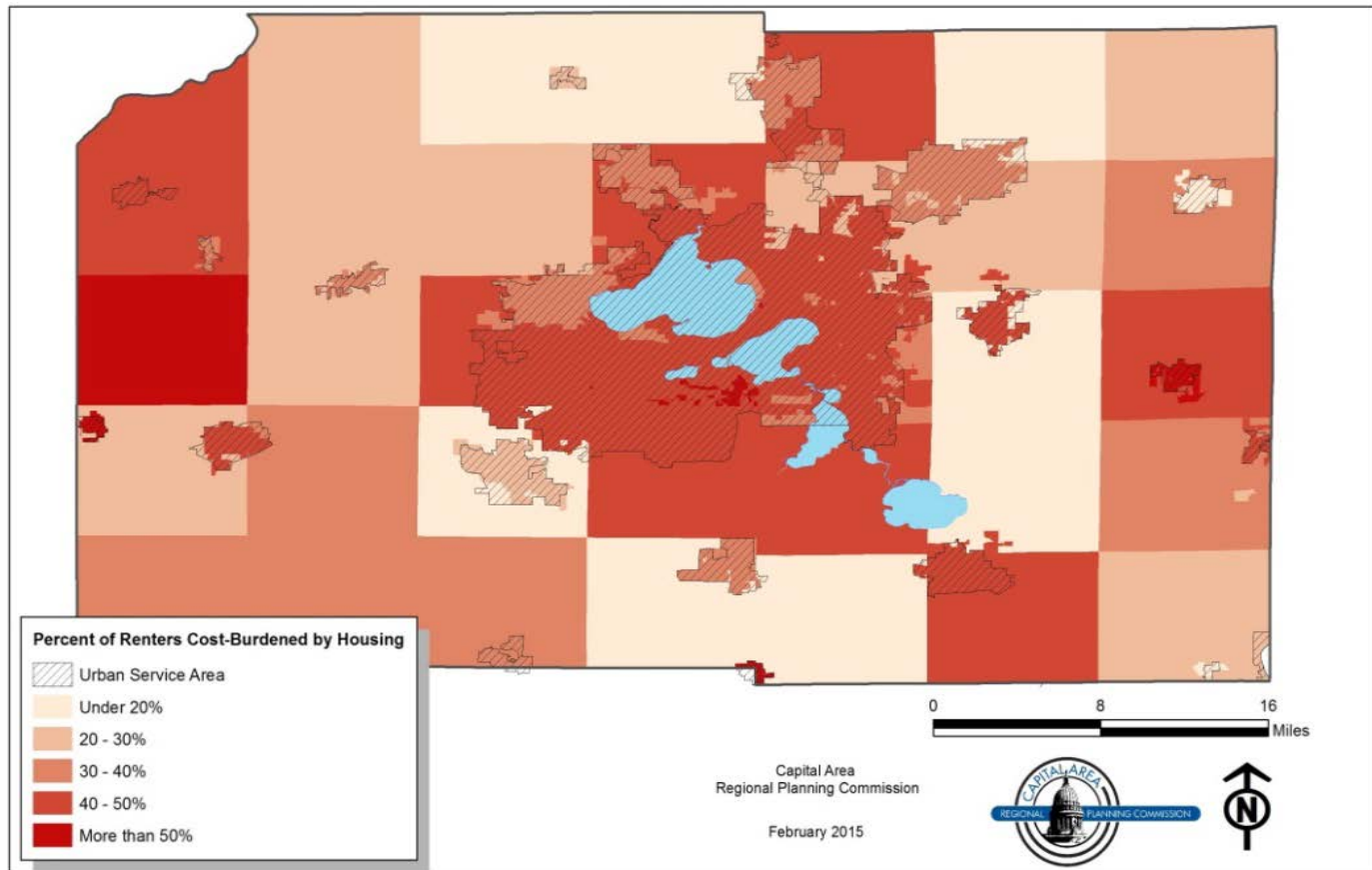
Source: American Community Survey B25024:
Housing Units by Number of Units in Structure



Affordability Gap – Dane County Housing Needs Assessment



Cost Burden – Households paying more than 30% of income in rent



Data Analysis

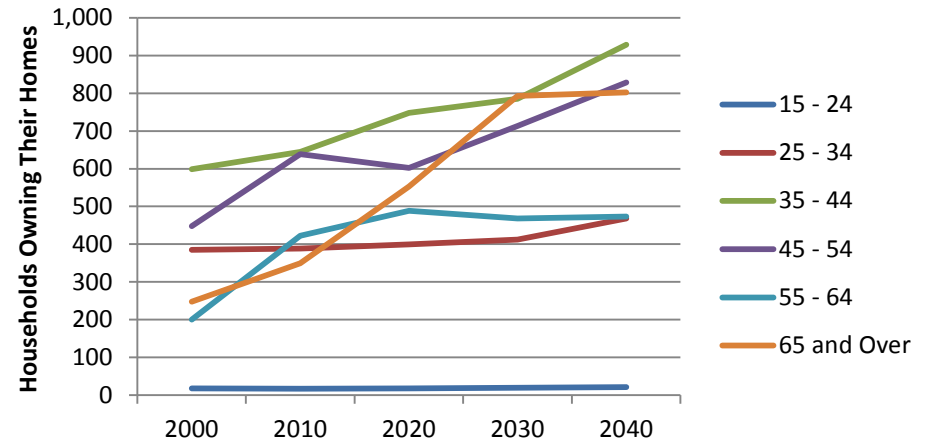
HOUSING DEMAND PROJECTIONS



Scenario A – Existing Trends

DeForest's age breakdown is genuinely different from Dane County's, but local ownership rates persist into the future, and the demand for the various housing types will remain basically consistent with the current balance.

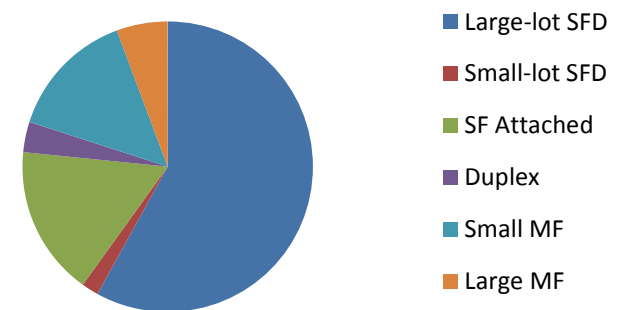
Observed and Projected Ownership Households in DeForest by Age Group, 2000 - 2040



Projected Additional Units of Housing in DeForest by Type, 2035

	2010	2035	Change
Large-lot SFD	2009	2,717	708
Small-lot SFD	65	88	23
SF Attached	578	782	204
Duplex	117	158	41
Small MF	496	671	175
Large MF	197	266	69
Total	3462	4,682	1,220

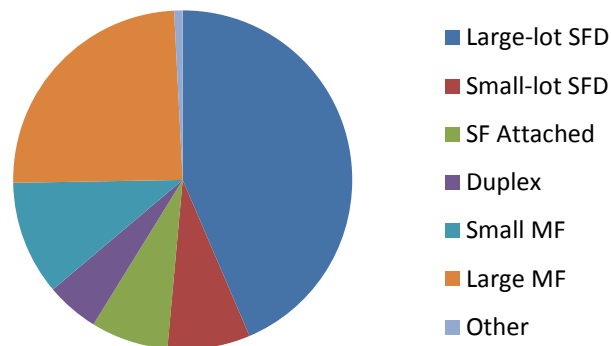
Percent of Total Additional Units Needed in DeForest by Type, 2010 - 2035



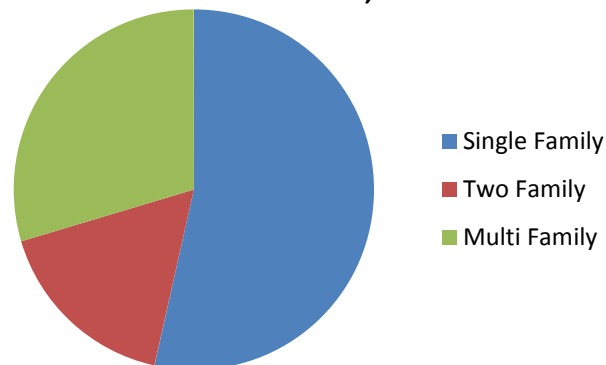
Scenario B – Demographic Shift

Due to the recent or imminent retirement of the baby boomer generation, the delayed homebuying and household formation of the Millennial generation, and an increasing preference for more walkable communities and mixed uses, the demand for housing units is expected to look different in 20 years than it does today.

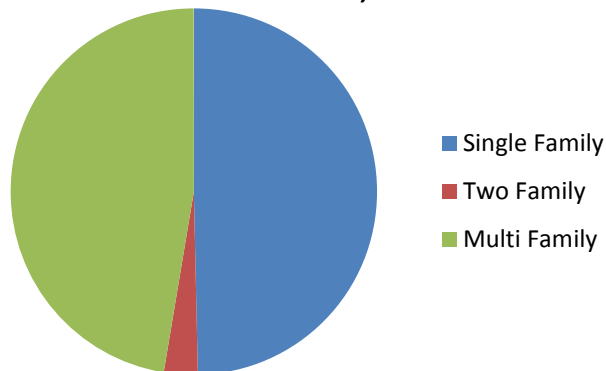
Percent County-Level Demand by Type, 2035



1990 - 2010 Units Built, DeForest



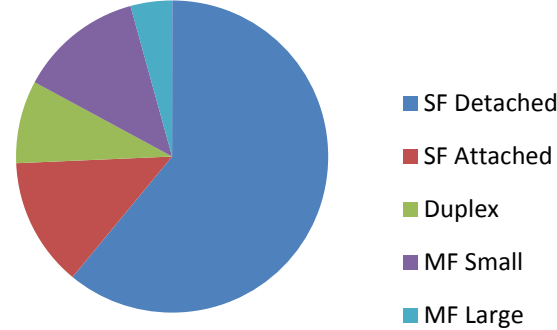
2010 - 2035 Allocation, DeForest



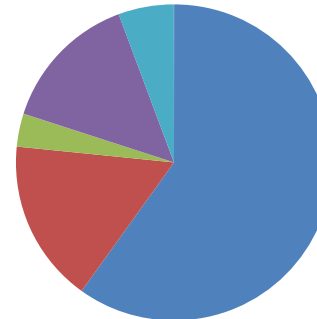
Scenario C – Village Plan

Village of DeForest Comprehensive Plan: "The Village's goal is that, by 2035 at the latest, at least 65% of housing units will be single family, up from 60% in 2010. To accomplish this goal, the Village requires that single family homes make up a minimum percentage of new housing units in each new neighborhood. The Village supports higher-end and senior multiple family options within the remaining percentage to serve Village residents and businesses." (Page 6)

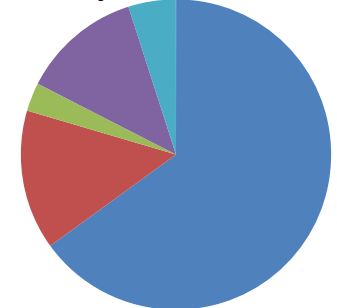
Percent of Total Housing Units by Type, 2000



2010



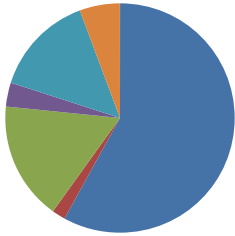
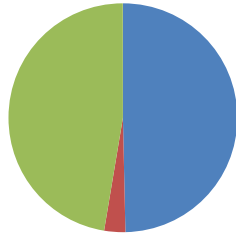
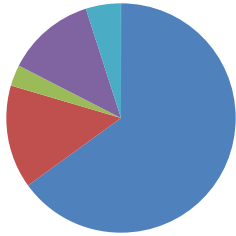
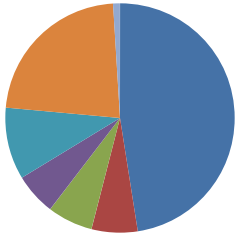
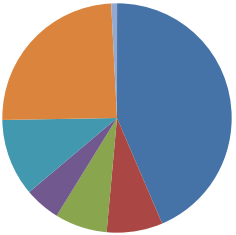
Projected, 2035



Historical and Projected Total Units

	2000	2010	2035	Change 2010 - 2035
SF Detached	1,662	2,074	3,043	969
SF Attached	363	578	682	104
Duplex	234	117	138	21
MF Small	349	496	586	90
MF Large	117	197	233	36
Total	2,725	3,462	4,682	1,220



	SCENARIO		
	A	B	C
Household Size	Projected	Projected	?
Demand	Recent trends	Demographic shift	Recent trends
Regional Distribution	Recent trends	Recent trends	Increased SFD in villages
Outcome	Continuation of recent trends	Slight shift away from SF and toward MF	Shift toward SFD and shared reduction in other types
2035 Demand - DeForest			
2035 Demand - Dane County			



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